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11 April 1960J P-BR
EB
File

MEMORANDUM FOR THE RECORD

SUBJECT: Concurrence in Amendment No. 1 to Contract No. HF-8142 with
Westinghouse Electric Corporation, Project CHALICE [REDACTED]

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1. This memorandum contains a recommendation submitted for concurrence of the undersigned. Such recommendation is contained in Paragraph 5.

2. Contract No. HF-8142 covers the procurement of field services to maintain the APQ-56 Radar sets in the [REDACTED] U-2 aircraft for Fiscal Year 1960. The contract is a fixed price redeterminable type with price reset taking place after four months of costs are incurred. Amendment No. 1 evidences the negotiations held by the parties and establishes the final price. The costs incurred and Contractor's estimate to complete were examined by the Auditor and the Negotiator and reductions were effected as recommended in Auditor's Report No. 606. Contractor had requested a profit factor of [REDACTED] but through negotiation this was reduced to [REDACTED] which is in line with that being paid to other suppliers in the Program.

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3. As a result of the Negotiation, Amendment No. 1 reduces the amount obligated under the contract by the sum of [REDACTED]. This leaves a total obligation balance of [REDACTED] on the Contract. By concurrence to this memorandum the Comptroller signifies that funds have been adjusted as provided above.

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4. Certification of funds for this contract will be handled under the procedure approved by the Director of Central Intelligence on 15 December 1956 which, in effect, results in all covert expenses involving issuance of Treasury Checks being accumulated in a separate account within the Finance Division. The amounts in this account will be periodically scheduled for certification of the vouchers by the Director. This procedure eliminates the necessity for a separate certification of authority under Section 8(b) of Public Law 110, 81st Congress, (formerly 10(b) see 85-507 dtd 7/7/58) for each contract.

5. Concurrence in Amendment No. 1 to Contract No. HF-8142 is recommended.

CONCURRENCES:

Contracting Officer, DPD

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Comptroller, DPD

DATE

DPD-CB: [REDACTED] :mmw

Distribution:

Orig - HF-8142

1 - FIN/DPD

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Office of General Counsel

DATE

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